“DATE HERE”

Attention: The Honourable Justin Trudeau

 The Honourable William Morneau

 The Honourable “INSERT NAME OF MP HERE”

I would like to take the opportunity to voice some of my concerns regarding the proposed changes to tax law and legislation for corporations.

Firstly, I feel that the amount of time allocated to review and study the potential changes is inadequate and must be extended. More grass roots consultation must take place and the long-term effects must be examined in detail. Changing legislation that has been in place for over 40 years in a matter of weeks can have a profound impact on the entire economy and must be studied in depth. Some families have been planning their entire life based on these laws to pass on the business to the next generation.

Secondly, in 2015, Mr. Trudeau promised to decrease corporate tax from 11% to 9% recognizing that the small businesses make up the backbone of the entire Canadian economy. Entrepreneurs and small business owners take on an enormous amount of risk and responsibility. Please consider some of the inequalities that exist between small business owners and employees:

* Employee has health plan (medical, dental, other) while business owner pays out of profits
* Employee has 3 weeks of paid vacation and 5 sick days, business owner earns nothing when away
* Employee has employer-funded pension plan, business owner must fund his own retirement, savings in the corporation and corporate investments
* Employee receives maternity leave benefits, business owner does not
* Employee loses their job and receives Employment Insurance, business owner does not
* Employee has not put any of their savings at risk to serve an employer, while business owners take on a tremendous amount of personal risk
* Employee has not contributed to providing livelihood for anyone else, while many business owners provide employment for several others

Several Chartered Professional Accountants have been consulted regarding the proposed changes and all have expressed concern for the their clients that are small business owners noting the potential ramifications, tax implications and negative impact on operations.

I have been advised that the proposed changes would be detrimental to the middle class far more than having the desired outcome of successfully increasing taxes on the 1% of the wealthiest Canadians. This type of legislation would likely push those in the top 1% to transfer wealth offshore and seek alternatives to be sheltered from tax. Unfortunately, those primarily impacted would be the middle class and those wishing to join the middle class.

Finally, I have legitimate concerns that many members of the middle class will be negatively impacted with the proposed changes, including: plumbers, hairdressers, physiotherapists, personal trainers, electricians, chiropractors, gas station attendants, owner of esthetics studio, farmers, contractors, massage therapists and mechanics. This list is in no way exhaustive since entrepreneurs fill an enormous portion of the middle class in the Canadian economy. If small businesses have increased tax obligations, these costs will no doubt be passed onto the clients and therefore have additional impact on those wishing to join the middle class. These changes will likely ensure an extended cycle of poverty for many.

The proposed changes may in fact have a negative impact on new business starts, cause current businesses to close and trigger a sizable increase in unemployment.

With the fragile national and global economy, the growing amount of household debt, the ever rising governmental deficit and debt, I believe the proposed changes are ill-planned and require far more significant discussion with the entrepreneurs that will be impacted.

In closing, I trust that you will speak on my behalf and ensure that the Canadian government will make choices with adequate consultation of small business owners. This must occur prior to a decision being made to implement rash changes to legislation that may have potentially profound effects to the economy.

Sincerely,

“YOUR SIGNATURE”